Release of Central Share of Calamity Releif Fund

1289. MISS SAROJ KHAPARDE: Will the Minister of AGRICULTURE be pleased to state:

(a) whether Central share of Galamity Relief Fund (C.R.F.) has been released to the State of Maharashtra for the year 1994-95 and also for the current financial year to provide relief to the drought affected areas in the State;

(b) if so, the details thereof and if not the reasons therefor;

(c) whether in view of the delayed monsoon the Government have decided to give additional assistance over and above CRF to Maharashtra; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINSITRY OF AGRICULTURE (SHRI S. KRISHNA KUMAR): (a) and (b) The Central share of Calamity Relief Fund (CRF) for 1994-95 amounting to Rs. 33.00 crores was rleased to the Government of Maharashtra in advance during 1993-94 in the wake of the Lature earthquake. During 1995-96, two instralments of Central share of CRF amounting to Rs. 24.14 crores have so far been released to the State Government.

(c) and (d) No request has been received from the Government of Maharashtra for any additional assistance, over and above the provisions of the CRF.

Bailadila Mines Under Joint Venture Scheme

1290. SHRI GURUDAS DAS GUPTA: Will the Minister of STEEL be pleased to state:

(a) whether there is any move to put Bailadila mine 11-B managed by NMDC under a joint venture scheme; and

(b) if so, the details and reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) and (b) Steel consumption is one of the major indices of industrial and economic growth of a country. The total demand for steel in India, including estimated exports, is projected to grow to 37 million tonnes by 2001-02, by which time production from the existing integrated steel plants and units in secondary sector is expected to reach about 24 million tonnes. The projected gap of 13 million tonnes will have to be met only by private sector investment as establishment of new greenfields plants in public sector is not contemplated. The private sector will, therefore, have to be encouraged if the projected gap between demand and availability is to be met.

Indigenous availability of metal scrap is low and large quantities have to be imported in order to meet indigenous demand. Sponge iron contains a large percentage of metallic iron and is very good substitute for steel melting scrap. Production of sponge iron is, therefore, being encouraged by the Government in order to conserve foreign exchange. There are 18 sponge iron units in the country at present with total capacity of 5.4 million tonnes. These units produced 34 million tonnes in 1994-95 and the production is expected to cross the 4 million tonnes mark this year, with exports expected to touch the one million mark. More sponge iron units with a capacity of 7.39 lakh tonnes per annum are in different stages of execution presently.

There are only 3 gas-based plants in India, namely Essar Gujarat Ltd., Vikram Ispat Ltd. and Nippon Denro Ispat Ltd. and they require calibrated iron ore with Fe content of 65% and above.

Though NMDC had been considering development of Deposit 11-B as a joint venture project since 1991, the proposal could not fructify as the three major iron ore consuming companies, identified as potential joint venture partners, were agreeable to join in the joint venture only if they were the sole co-promoters with